STRATEGY IMPLEMENTATION PRACTICES AND PERFORMANCE OF MAKUENI COUNTY, KENYA

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ABSTRACT

Adoption of strategic management practices has gained relevance among the county governments in Kenya. Counties are embracing strategic management practices even though they have been experiencing a number of obstacles due to a weak governance system in place. Most county government lack good governance systems to enable them operate strategically and also independently and this has affected their performance. The study was carried out with the main objective of finding out the effect of strategic management practices on the performance of Makueni County in Kenya. The specific objectives were to establish how; strategic formulation, strategic implementation, strategic evaluation and strategic control impacts performance of Makueni County. There has been poor budget implementation in these counties; in addition to corruption and wastage of resources. Makueni County is faced with high poverty levels and has failed to meet its revenue targets. This implies poor strategic management practices by the county government. Stakeholder management theory, resource based theory and the new public management theories were used to anchor this study. A descriptive research design was adopted in this particular study with questionnaires as the main data collection instrument. The researcher sought opinion of experts on the constructs of the independent variable and how they relate with county performance to test the validity of the research instrument. A pilot study was administered prior to the study to test the reliability of the research instrument used. Permission to collect data from the county government of Makueni was sought from relevant authorities. Data was analyzed using SPSS. The county of Makueni will gain from this study since it will be able to review its plans for better decision making. The study found out that the county government of Makueni does not involve its employees nor does it hire consultants to aid in the process of strategic formulation. The study recommends refresher courses for Makueni staff so as to improve the quality of work they carry out. Revenue collection should be automated to help Makueni County meet its revenue targets.

Keywords: Strategic formulation, Strategic Implementation, Strategic Evaluation, Strategic Control.
1.0 Introduction

Strategic management is concerned with identifying firm’s goals, objectives, vision, mission and studying the environment. Strategic implementation is very important in management. Strategic implementation deals with putting strategies into action to achieve desired organization’s results (Oluoch, 2017). Extant researchers argue that for effective strategy implementation; organizations should allocate appropriate resources. Organizational culture influences strategy implementation (Akinyi, 2015). An organization’s culture is very important in strategic management as it determines the success of strategy implementation. For strategy execution to be effective, an organization’s strategy must be aligned with organizational culture. For successful implementation an organization should strive to line up its strategy with its structure. Structure of a firm is very vital; the policies a firm comes up with should be matched to it.

An organization that adopts strategic management practices has a higher chance of succeeding or improving its performance compared to a firm that does not (Pearce & Robinson, 2007). Strategic management is the reason why some organization fall or fail and others succeed. Organizations operate in turbulent environments and change is unavoidable since the success determinants of yesterday can be tomorrow’s determinants of failure (Kottler, 2003). Managers of organizations should formulate good strategies to deal with environmental changes for the organizations to be competitive in the industry.

1.2 Statement of the Problem

County governments have been experiencing a number of challenges due to a weak governance system in place. Most Kenyan counties lack good governance systems to enable them operate strategically. This has greatly affected the performance of counties in Kenya. There has been poor budget implementation in these counties, corruption, wastage of resources and also poor service delivery. According to Kubai (2015) poor performance of Kenya County governments can be pointed to poor strategy management practices adopted by these counties. Counties rarely implement the strategies formulated efficiently and effectively. This is due to various factors such as: political interference, employee competence, lack of enough resources and poor control measures in place(Mathore,2016). Makueni County has been recently making headlines regarding its performance. Other counties have been visiting the county for benchmarking purpose. Despite this; residents of Makueni County are still living below the poverty line. Overreliance of rainfall by farmers has seen food production in the county drop significantly. Failure of Makueni county government to collect sufficient revenues and increased poverty levels translates to poor strategic management by the county government (Kanyingi, 2015). Devolution was rolled out in 2013. Little research has been done regarding strategic management practices in counties. This study aimed at establishing the relationship between strategic management practices performance of Makueni County.

2.0 Theoretical Literature Review

This particular section employed three management theories which are; stakeholder’s theory, resource based theory and the new public management theory.
2.2.1 Stakeholders Theory
This theory is concerned with morals and values in managing a firm. The stakeholder’s theory originated from (Mitroff, 1983). This theory examines an organization as a group of stakeholders with diverse interests and viewpoints (Onyango, 2014). The firm must always work in the best interest of the stakeholders. The theory assumes that a firm is accountable to every shareholder in the ecosystem. Most relationships in a firm’s ecosystem tend to be very dynamic. Shareholders have an influence on the strategic management of an organization. This theory is used to justify the need for the county government to come up with strategic practices that are of the best interest of Makueni residents. The residents should be able to access quality health care, good roads, quality education, clean water, improves standards of living among other services. Makueni County should formulate policies that enrich the local residents and also provide a good environment for business growth.

2.2.2 New Public Management Theory
This theory was aimed at improving the quality of public service, reducing expenditure and making implementation of plans more efficient (Barzelay, 2001). Some of the principles in relation to this particular theory are: the principle of accountability, the staff principle, principle of unit of command just to mention a few. The county government of Makueni should aim at using funds efficiently and showing the value for the money through provision of quality services. The county should also set realist goals and targets which they should meet; such as revenue targets. Employees of the county should be empowered for them to use their own strategies to attain objectives of the county. The county should aim at introducing a tendering system that that is competitive in nature so at to get the best results. This theory tends to solve the problem of corruption and incompetence.

2.2.3 Resource Based Theory
According to Pearce and Robinson (2007) resource based theory states that firms that have strategic resources have a competitive advantage over the firms that lack such resources. Resources are very important elements of a firm. Strategic resources are rare and also difficult to emulate. Some of the assumptions of resource based theory are: organizations are profit maximizing entities, managers are rational and firms that compete may have different resources (Kottler, 2003). These resources are difficult to emulate or copy. Resources of an organization are very crucial in determining performance. They play a big part in strategic management process. Implementation process requires availability of resources. According to Teece (1980) no matter how good a strategy is, if they are no resources to enable implementation, the plan, goals or objective of the organization will not be achieved. This theory accents that for performance to be archived, good strategic management practices must be put in place. This management process is not possible without the right resources. An organization can have the best strategy but without the right resources in place, such a good plan or strategy cannot be achieved (Nyariki, 2013). Performance of the county will be dependent on the resources employed such as human resource, cash, and right technology among others.

2.3 Empirical Literature Review
Muendo (2009) revealed that implementation directly contributes to the performance of the Kenya medical training college. The study recommended more resources to be allocated during the process of implementation so as to meet its objectives and goals. The study states that the
organization should involve staff at different levels during planning for strategy implementation to be effective. The current study also looked at the element of implementation. It was found out that Makueni county government utilizes its limited resources properly. Kanyingi (2015) did a study on the strategic responses to challenges in implementation of food insecurity strategies by Makueni county government. The study noted challenges that contributed to food insecurity in the county of Makueni include: high population in the county which led to deforestation, over dependence on rain and over reliance on crops that are less drought resistant. It was established that Makueni has adopted some strategic responses that influence food security in the county. These strategic responses include: construction of dams, planting crops that are drought resistant, educating people on the importance of family planning. This study is limited to strategic practices on food insecurity in Makueni County. This current study looked at some of the strategic management practices adopted by Makueni County government.

Mathore (2016) undertook a study on the effect of strategy implementation on organization performance: A case study of Diamond trust bank. The study established that Diamond Trust Bank has been facing challenges in implementing some of its strategies formulated. The study found out that the bank has provided training opportunities to its employees to overcome the challenge of effectively implementing its strategies. Training helps the employees of the bank acquire necessary skills and capabilities to handle tasks that are assigned to them and achieve the desired objectives and goals. This study failed to look at other elements of strategic management such as; formulation, evaluation and control. The current study bridged that gap by examining other elements of strategic management. The study found out that competence of staff is very important in implementation process. It was established that there exist inadequate competent staffs to carry out effective strategy implementation of Makueni county policies.

Somi (2013) undertook a study on the influence of strategy implementation on performance of government owned entities. The study sought to determine how reward structure and strategic alignment influence government owned entities. The study recommends management to ensure proper strategic alignment with organization process. The study also recommends training of employees to ensure they do have the capabilities to implement organization plans. The study failed to look at other elements of strategic management apart from strategy implementation. This particular study examined how strategy formulation, evaluation and control impacts performance of Makueni County. The current study revealed strategy formulated failed to match with the county structure.

3.0 Research Methodology
Descriptive research design was adopted in this study. This research design was preferred because in depth information could be collected using this method. Large amount of data can be collected using this research method (Kothari, 2008). This study adopted a stratified random sampling technique. Stratified sampling technique was adopted because the population comprised of different groups of employees. This aided the researcher to have a representative sample. Mugenda & Mugenda (2003) contend that a 10% sample can be used to represent a population. A sample of 300 employees which is 10% of the total population was selected.

The study used both primary and secondary data. Questionnaires were used to collect primary data. Some of the advantages of using questionnaire as research instruments are that they save time and are economical. The questionnaires were divided into two parts. One part was about the background of respondents and the other covered the strategic management practices with regards to Makueni County. The questionnaires were distributed to county staff of Makueni County. Secondary data was sourced from journals, articles, county reports, newspapers and magazines.
Permission to collect data from the county government of Makueni was sought from relevant authorities. Data collection took one week and researcher collected the questionnaires from Makueni offices for data analysis.

Validity is the ability of a research instrument to measure what it is supposed to measure (Smith, 1991). The researcher sought opinion of experts on the constructs of the independent variable and how they relate with county performance. This information was sought from the University supervisor. Reliability is the consistency of a measure (Kothari, 2004). The research instrument should give similar results under the same circumstances for it to be deemed reliable. A pilot study was administered prior the study. A pilot study is important since it helps reduce mistakes and problem during the actually study by identifying errors and weaknesses of the research instrument. Cronbach alpha was used to measure reliability of the research instruments. The cronbach alpha ranges from 0-1, where 1 indicates the greatest uniformity and consistency while 0 indicates that there is no uniformity or consistency. The threshold of reliability will be at 0.7 (Cronbach, 1951). Multiple linear regression model was used to establish the relationship between strategic management practices and performance of Makueni County. The model was used to determine the link between dependent and independent variables. The model took the format above.

\[ Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e \]

Where;
Y= County performance as measured by composite score of financial and nonfinancial performance indicators
X₁= Strategic formulation
X₂= Strategic implementation
X₃= Strategic evaluation
X₄= Strategic control
β₀ is the constant while β₁, β₂, β₃ and β₄ are the corresponding coefficients for the respective independent variables. The error term is represented by e which represents residual factors that are not captured within the regression model.

Ethics is very important in conducting any research. The study took into account some ethical considerations. Some of them are: authorization to carry out the research, confidentiality of the respondents and permission from the relevant institutions or authorities. The researcher was issued with a letter from Kenyatta University and NACOSTI. Ethical issues could arise in the process of undertaking the study. Authorization to conduct the study is very crucial. Consent to administer questionnaires to county staff was sought from Makueni County.

4.0 Results and Discussion
The study's unit of analysis was 6 Sub counties. Out of 300 questionnaires sent, 244 were returned back fully filled. This amounts to a response rate of 81.33%. According to Kothari (2008), a response rate of 70% and above is good for data generalization.

4.1 Strategy implementation and performance
The result of the study shows that majority of the respondents were neutral as to whether strategic implementations affect performance of the county. 58.2 % were neutral on this question, 24.2 %
disagreed while the remaining 17.6 of the respondents agreed that well implemented strategies have great impact on the performance as shown in table 4.1

Table 4.1 Strategy implementation on performance

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disagree</td>
<td>59</td>
<td>24.2</td>
<td>24.2</td>
</tr>
<tr>
<td>Neutral</td>
<td>142</td>
<td>58.2</td>
<td>82.4</td>
</tr>
<tr>
<td>Agree</td>
<td>43</td>
<td>17.6</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>244</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Research Data, (2019)

Findings revealed that there are inadequate competent staffs to implement strategies formulated and this has jeopardized the process of strategic management implementation in many sub-counties of Makueni. 84 of those interviewed disagreed that the County has competent staffs; only 51 percent were in agreement with a mean of 2.89 and standard deviation of 0.770 while the rest were neutral

Table 4.2 Descriptive Statistics on Strategy implementation

<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>Mean</th>
<th>Std dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Would you say that the County of Makueni has competent staffs that implement the strategies formulated?</td>
<td>0</td>
<td>84</td>
<td>106</td>
<td>51</td>
<td>3</td>
<td>2.89</td>
<td>0.770</td>
</tr>
<tr>
<td>Would you say that strategies are communicated effectively to employees who implement them</td>
<td>0</td>
<td>0</td>
<td>39</td>
<td>186</td>
<td>19</td>
<td>3.92</td>
<td>0.82</td>
</tr>
<tr>
<td>Are there incentives that motivate staff to implement the formulated strategies effectively and efficiently?</td>
<td>41</td>
<td>133</td>
<td>56</td>
<td>14</td>
<td>0</td>
<td>2.18</td>
<td>0.744</td>
</tr>
<tr>
<td>utilization of county resources are monitored</td>
<td>0</td>
<td>2</td>
<td>46</td>
<td>177</td>
<td>19</td>
<td>3.87</td>
<td>0.533</td>
</tr>
<tr>
<td>There’s a motivation system put in place for effective implementation of strategies</td>
<td>161</td>
<td>0</td>
<td>81</td>
<td>2</td>
<td>0</td>
<td>2.35</td>
<td>0.494</td>
</tr>
<tr>
<td>Would you say strategy implementation is based on County expected performance and set objectives?</td>
<td>0</td>
<td>SA</td>
<td>A</td>
<td>43</td>
<td>0</td>
<td>2.93</td>
<td>0.645</td>
</tr>
</tbody>
</table>

Source: Research Data, (2019)

This study also noted effective communication of the strategies between the management and general employees of the county. 225 of the respondents were in agreement that strategies were effectively communicated with a mean of 3.92 and a standard deviation of 0.82, only 39 respondents were undecided. The study noted lack of systems that motivate employees towards implementations of management strategies. Table 4.2 shows that 161 of the employees interviewed disagree that there were systems in place that motivate employees towards implementation of strategies; only 2 respondents were in agreement with this question, with a mean of 2.35 and a standard deviation of 0.4944. It was also clear from the finding that the County properly monitor utilization of its resources. 196
respondents agreed that there was proper utilization of resource with a mean of 3.87 and standard deviation of 0.533.

5.0 Conclusion and Recommendations
Findings from the study reveal that Makueni County lacks enough competent staffs to carry out its policies. Knowledgeable staffs are very important in any organization. They are able to handle issues professionally and also they have the ability to tackle problems diligently that may crop up. This study also established that the Makueni county government practices effective communication of its policies to its employees. This study also revealed that Makueni county government lacks effective reward systems. When the reward systems are not efficient then demotivation of employees sets in. Lack of motivation among employees will affect implementation of the county plans and policies. Employees lack the zeal or drive to execute policies of the county.

Findings from this study also showed that there is proper utilization or resources in Makueni county government. Resources in this particular county were accounted for and that there is transparency on how resources are put into use.

The study recommends the county government of Makueni should use technology in revenue collection. Automation of revenue is very important since it will seal all the loopholes in collection of revenue. Use of technology in revenue collection will raise monies collected by the county and the county will be in a position to meet its revenue targets. Increasing resources is very crucial; the county will use these resources to improve the live hood of the residents of Makueni County. The county staffs should be trained on how to use technology to collect revenue. The county government of Makueni should present training opportunities to its employees. Employees who are exposed to training and development opportunities are more likely to be more productive in the county operations. Employees are also able to be more competent in whatever task they carry on. Training also motivates county employees; motivated staffs are more likely to perform their staffs effectively. Makueni County should engage their employees in making plans for the county. Engaging employees will benefit the county government. Input by county staffs is very crucial in strategy formulation process. Involving county staff in strategy formulation will reduce resistance mostly during the strategy implementation phrase.

REFERENCES


